



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

October 11, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS:
DEL AIRE PARK COMMUNITY BUILDING EXPANSION PROJECT
UNINCORPORATED DEL AIRE AREA-CITY OF HAWTHORNE
AWARD CONSTRUCTION CONTRACT
SPECS. 6974; CAPITAL PROJECT NO. 77516
(SECOND DISTRICT) (3 VOTES)**

SUBJECT

This action is to award a construction contract to AMD Construction Group, Inc., for construction of the Del Aire Park Community Building Expansion Project.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the first, second, third, and fourth apparent lowest bidders for construction of the Del Aire Park Community Building Expansion Project are non-responsive for the reasons stated herein and, therefore, reject their bids on that basis.
2. Find that AMD Construction Group, Inc. is the apparent Lowest Responsive and Responsible Bidder for the Del Aire Community Building Expansion Project and award a construction contract for \$992,000, subject to timely submittal to the County of satisfactory baseline construction schedule, acceptable Faithful Performance and Payment for Labor and Material Bonds, and evidence of required contractor insurances.

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

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3. Delegate to the Director of Public Works the authority to determine, in accordance with the applicable contract and bid specifications, whether the contractor has satisfied the conditions for contract award, and authorize the Director of Public Works to execute the construction contract, in the form previously approved as to form by County Counsel, with AMD Construction Group, Inc., and to establish the effective date of the construction contract if the Director of Public Works determines that the above conditions have been satisfied.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will allow the Department of Public Works (Public Works) to proceed with construction of the Del Aire Park Community Building Expansion Project (Project).

The awarded Project consist of the addition of a new 1,400 square-foot assembly room and refurbishment and roof replacement of the existing 2,859 square-foot community center, including the meeting room, computer room, lobby, office, craft room, food warming kitchen, and storage areas. Additionally, new heating, ventilation, and air conditioning systems will be installed, and the existing restrooms will be remodeled to comply with Americans with Disabilities Act requirements. The Project also includes the addition of 19 new parking spaces.

On May 17, 2011, your Board adopted plans and specifications for the Del Aire Park Community Building Expansion Project and instructed the Executive Officer of the Board to advertise for construction bids. On June 21, 2011, Public Works opened 25 bids. Public Works determined that the first three apparent lowest bidders were non-responsive because they failed to acknowledge the receipt of Notice to Bidders A on their bid form. Acknowledgement was a mandatory and material requirement of the bid documents. The fourth apparent lowest bidder was non-responsive because they could not procure bonding.

The four apparent lowest bidders, Cal-City Construction, Inc., Fast-Track Construction Corporation, IPI Construction, and United Contractors Company, Inc., were deemed non-responsive for the reasons stated and were notified accordingly.

The fifth lowest bidder, AMD Construction Group, Inc., submitted a proper bid containing acknowledgement of Notice to Bidders A with its bid form and all required documents.

As authorized by your Board on May 17, 2011, a consultant services agreement will be executed with AMD Construction Group, Inc., to prepare a baseline construction schedule for a not-to-exceed fee of \$2,000, which will be subtracted from its total lump sum bid as described in the Instruction to Bidders.

Green Building/Sustainable Design Program

The Project will support your Board's Sustainable Design Program by using water efficient plumbing fixtures and energy-efficient lighting with light sensors. The Project will incorporate low impact design and drought-tolerant landscaping.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1); Children, Family, and Adult Well-Being (Goal 2); and Community and Municipal Services (Goal 3), by investing in public infrastructure that will enhance recreational opportunities for County residents.

FISCAL IMPACT/FINANCING

On November 25, 2008, your Board approved a \$2,000,000 Project budget for Del Aire Park Community Building Expansion Project. The budget includes cost for preparation of plans and specifications, plan check fees, construction, change orders, consultant services, miscellaneous expenditures, Civic Art allocation, and County services. The Project Schedule and Budget Summary are included in Attachment A.

Sufficient funds are available in the Fiscal Year (FY) 2011-12 Capital Projects Budget under Capital Project No. 77516. The Project is funded with Second District net County cost allocated for Enhanced Unincorporated Area Services (Proposition 62).

Operating Budget Impact

Based on the proposed Project description, the Department of Parks and Recreation (Parks and Recreation) anticipates both one-time and ongoing costs upon completion of the Project. One-time costs of approximately \$177,000 are needed for building and office furnishings, and ongoing costs of approximately \$80,000 are needed for recreational staff and maintenance supplies. Parks and Recreation will work with the Chief Executive Office to confirm the appropriate level of funding and request one-time and ongoing funds in its FY 2012-13 Recommended New Facilities Budget request.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract contains terms and conditions supporting your Board's ordinances and policies, including, but not limited to: County Code Chapter 2.200, Child Support Compliance Program; County Code Chapter 2.202, Contractor Responsibility and Debarment; County Code Chapter 2.203, Contractor Employee Jury Service Program; County Code Chapter 2.206, Defaulted Property Tax Reduction Program; Board Policy 5.050, County's Greater Avenues for Independence and General Relief Opportunities (GAIN/GROW); Board Policy 5.060, Reporting of Improper Solicitations; Board Policy 5.110, Contract Language to Assist in Placement of Displaced County Workers; and Board Policy 5.135, Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law).

Applicable law, including the State Public Contract Code, requires the County to award construction contracts to the apparent lowest responsive and responsible bidder, which refers to the firm that: (1) submits the bid with the lowest cost; (2) is deemed by the County to be "responsive" to specific criteria under the solicitation, including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined by the County to be a "responsible" bidder by exhibiting the quality, fitness, capacity, experience, and trustworthiness to satisfactorily perform the work required under the bid solicitation.

To ensure that the contract is awarded to the Lowest Responsive and Responsible Bidder with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractors State License Board labor law/payroll violations, and debarment actions. As provided for in Board Policy 5.140, the information reported by the contractor will be considered before making a recommendation to award.

The Project cost includes 1 percent of design and construction costs to be allocated to the Civic Art Fund per your Board's Civic Art Policy adopted on December 7, 2004, and subsequently amended.

ENVIRONMENTAL DOCUMENTATION

On June 16, 2008, your Board found the proposed Project categorically exempt from the California Environmental Quality Act (CEQA) in accordance with State CEQA Guidelines, Section 15302, Replacement or Reconstruction Class 2(c), and the County of Los Angeles Environmental Procedures and Guidelines, Appendix G, Class 2 (e), adopted by your Board on November 17, 1987. A Notice of Exemption was filed with

the Registrar-Recorder/County Clerk on December 18, 2008. The recommended actions are within the scope of the previously approved exemption.

CONTRACTING PROCESS

A standard contract, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses that provide for contract termination, renegotiation, and hiring qualified displaced County employees will be included in the contract.

On May 17, 2011, your Board adopted plans and specifications for the Del Aire Park Community Building Expansion Project and instructed the Executive Officer of the Board to advertise for bids. On June 21, 2011, 25 bids were received. AMD Construction Group, Inc., has been found to be the apparent Lowest Responsive and Responsible Bidder.

As required by your Board, language has been incorporated into the Project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees that they may be eligible for the Federal Earned Income Credit under the Federal income tax law (Federal Income Tax Law, Internal Revenue Service Notice 1015).

As requested by your Board on February 3, 1998, this contract opportunity was listed on the Doing Business with Us website.

The contract requires the contractor to pay its employees applicable prevailing wages in accordance with the California Labor Code.

AMD Construction Group, Inc., Community Business Enterprises participation data and three year contracting history with the County are on file with Public Works.

Local Worker Program

In order to increase participation of qualified local residents who live within a 15-mile radius of Del Aire Park, the same Local Worker Program (Program) for Job Order Contracts, as authorized by your Board on December 8, 2009, has been incorporated into the Project's plans and specifications.

The Program is designed to reduce commuting distances from home to work site, which will in turn reduce traffic congestion, pollution, release of greenhouse gases, and commuter stress. In addition, the Program is intended to enhance a sense of

community pride and identity among local workers and their neighbors arising out of local workers' efforts to improve the appearance and functionality of local public facilities.

The Program's objective is not intended to discriminate against or give preference to any particular group based on race, color, gender, sexual orientation, or disability, but to give work opportunities to qualified local residents where capital projects are being developed. Except to the extent that State or Federal laws or regulations mandate to the contrary, the Program's provisions will apply to the Project.

IMPACT ON CURRENT SERVICES OR PROJECTS

The proposed Project will have moderate impact on current County services as a result of these actions. The Project will be phased so as to minimize the impact on public use of the park.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Projects Division; the Department of Public Works, Project Management Division II; and the Department of Parks and Recreation.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:DJT
SW:LL:mc

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Arts Commission
Parks and Recreation
Public Works

October 11, 2011

ATTACHMENT A

**DEPARTMENT OF PUBLIC WORKS:
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UNINCORPORATED DEL AIRE AREA-CITY OF HAWTHORNE
AWARD CONSTRUCTION CONTRACT
SPECS. 6974; CAPITAL PROJECT NO. 77516
(SECOND DISTRICT) (3 VOTES)**

I. PROJECT SCHEDULE

| Project Activity | Scheduled Completion Date |
|----------------------------|--------------------------------------|
| Project Program | 07/15/08* |
| Design | |
| Contract Execution | 10/15/08* |
| Construction Documents | 12/30/10* |
| Jurisdictional Approvals | 12/23/10* |
| Construction Bid and Award | 11/10/11 |
| Construction | |
| Substantial Completion | 08/02/12 |
| Acceptance | 11/27/12 |

*Indicates completed activity

II. PROJECT BUDGET SUMMARY

| Budget category | Project Budget |
|--|---------------------|
| Construction | |
| Low Bid Construction Contract | \$ 1,383,000 |
| Change Order allowance | \$ 138,000 |
| Utility Connection | \$ 0 |
| Equipment affixed to building | \$ 0 |
| Civic Arts | \$ 15,000 |
| Subtotal | \$ 1,536,000 |
| Programming/Development | \$ 19,000 |
| Plans and Specifications | \$ 180,000 |
| Consultant Services | |
| Hazardous material | \$ 6,000 |
| Geotechnical/ soils testing | \$ 0 |
| Material testing | \$ 10,000 |
| Topographic surveys | \$ 0 |
| Deputy Inspection | \$ 0 |
| Scheduling | \$ 0 |
| Subtotal | \$ 16,000 |
| Miscellaneous expenditures | \$ 3,000 |
| Jurisdictional Review/Plan Check/Permit | \$ 7,000 |
| County Services | |
| Code Compliance and Quality Control Inspection | \$ 45,000 |
| Contract Administration | \$ 12,000 |
| Project Management | \$ 162,000 |
| Project Management Support Services | \$ 7,000 |
| Project Technical Support | \$ 7,000 |
| Consultant Contract Recovery | \$ 0 |
| Office of Affirmative Action | \$ 6,000 |
| Subtotal | \$ 239,000 |
| Total | \$ 2,000,000 |

October 11, 2011

ATTACHMENT B

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UNINCORPORATED DEL AIRE AREA-CITY OF HAWTHORNE
AWARD CONSTRUCTION CONTRACT
SPECS. 6974; CAPITAL PROJECT NO. 77516
(SECOND DISTRICT) (3 VOTES)**

Bid opening: June 21, 2011

Bid Summary:

| <u>NO.</u> | <u>BIDDER</u> | <u>BASE BID</u> | <u>Daily Overhead rate (x30 days)</u> | <u>LUMP SUM TOTAL</u> | <u>SBE \$50,000 credit</u> | <u>Total RESULT</u> |
|-------------------|----------------------------------|------------------------|--|----------------------------------|---|--------------------------------|
| 1 | Cal-City Construction, Inc. | \$ 977,000 | \$ 12,900 | \$ 989,900 | \$ 50,000 | \$ 939,900 |
| 2 | Fast-Track Construction, Corp.* | \$ 998,000 | \$ 0 | \$ 998,000 | \$ 0 | \$ 998,000 |
| 3 | IPI Construction* | \$ 985,555 | \$ 16,440 | \$ 1,001,995 | \$ 0 | \$ 1,001,995 |
| 4 | United Contractors Company, Inc. | \$ 989,000 | \$ 15,000 | \$ 1,004,000 | \$ 0 | \$ 1,004,000 |
| 5 | AMD Construction Group, Inc. | \$ 992,000 | \$ 19,500 | \$ 1,011,500 | \$ 0 | \$ 1,011,500 |
| 6 | Nile Advanced Construction, Inc. | \$1,037,000 | \$ 9,000 | \$ 1,046,000 | \$ 0 | \$ 1,046,000 |
| 7 | SBS Corporation | \$1,092,658 | \$ 9,000 | \$ 1,101,658 | \$ 50,000 | \$ 1,051,658 |
| 8 | Mackone Development, Inc. | \$1,074,000 | \$ 7,500 | \$ 1,081,500 | \$ 0 | \$ 1,081,500 |
| 9 | MTM Construction, Inc. | \$1,124,000 | \$ 0 | \$ 1,124,000 | \$ 0 | \$ 1,124,000 |
| 10 | Western Group, Inc. | \$1,177,000 | \$ 15,000 | \$ 1,192,000 | \$ 50,000 | \$ 1,142,000 |
| 11 | Oaktree Construction, Inc. | \$1,229,000 | \$ 0 | \$ 1,229,000 | \$ 50,000 | \$ 1,179,000 |
| 12 | KOAM Construction, Inc.* | \$1,185,000 | \$ 6,000 | \$ 1,191,000 | \$ 0 | \$ 1,191,000 |
| 13 | Y. Ko Construction Co., Inc.* | \$1,189,000 | \$ 3,000 | \$ 1,192,000 | \$ 0 | \$ 1,192,000 |
| 14 | Avi-Con, Inc. | \$1,176,747 | \$ 21,000 | \$ 1,197,747 | \$ 0 | \$ 1,197,747 |
| 15 | Courts Construction, Inc. | \$1,184,450 | \$ 18,000 | \$ 1,202,450 | \$ 0 | \$ 1,202,450 |
| 16 | Harry H. Joh Constr., Inc. | \$1,296,000 | \$ 12,000 | \$ 1,308,000 | \$ 50,000 | \$ 1,258,000 |
| 17 | TLD Construction, Inc. | \$1,292,400 | \$ 16,050 | \$ 1,308,450 | \$ 0 | \$ 1,308,450 |
| 18 | Morillo Construction, Inc. | \$1,291,500 | \$ 18,000 | \$ 1,309,500 | \$ 0 | \$ 1,309,500 |
| 19 | G2K Construction, Inc. | \$1,298,000 | \$ 15,000 | \$ 1,313,000 | \$ 0 | \$ 1,313,000 |
| 20 | EG Montanez Construction, Inc. | \$1,351,000 | \$ 36,000 | \$ 1,387,000 | \$ 0 | \$ 1,387,000 |
| 21 | Minako America Corporation | \$1,397,700 | \$ 7,500 | \$ 1,405,200 | \$ 0 | \$ 1,405,200 |
| 22 | Ian Thomas Group | \$1,369,000 | \$ 45,000 | \$ 1,414,000 | \$ 0 | \$ 1,414,000 |
| 23 | Shefir Construction, Inc.* | \$1,444,000 | \$ 22,500 | \$ 1,466,500 | \$ 0 | \$ 1,466,500 |
| 24 | Jenn/Matt, Inc.* | \$1,545,606 | \$ 11,250 | \$ 1,556,856 | \$ 0 | \$ 1,556,856 |
| 25 | Axis Construction, Inc.* | \$1,193,000 | \$12,000,000 | \$13,193,000 | \$ 0 | \$13,193,000 |

October 11, 2011

ATTACHMENT C

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AWARD CONSTRUCTION CONTRACT
SPECS. 6974; CAPITAL PROJECT NO. 77516
(SECOND DISTRICT) (3 VOTES)**

DOING BUSINESS WITH US WEBSITE

Bid Information

Bid Number : SPEC6974

Bid Title : DEL AIRE PARK COMMUNITY BUILDING EXPANSION

Bid Type : Construction

Department : Public Works

Commodity : DEMOLITION SERVICES

Open Date : 5/17/2011

Closing Date : 6/21/2011 12:45 PM

Notice of Intent to Award : [View Detail](#)

Bid Amount : \$ 1,383,000

Bid Download : [Available](#)

Bid Description : STRUCTURE:

The project will include the addition of an approximately 1,400-square-foot assembly room and refurbishment of the existing 2,859 square-foot community center, including the meeting room, computer room, lobby, office, craft room, food warming kitchen, and storage areas. The project also includes roof replacement, and the addition of 19 new parking lot spaces. Additionally, new heating, ventilation, and air conditioning systems will be installed, and the existing restrooms will be remodeled to comply with Americans with Disabilities Act requirements.

LANDSCAPE:

Landscaping includes removal and relocation of 9 trees; demolition of turf, and grading for parking lot expansion; water drainage containment swale, and piping.

INFRASTRUCTURE:

Walkways, courtyard, and ramps will be refurbished to comply with Americans with Disability Act. New metal fencing will be added around new parking lot. Minor site drainage modifications will be part of the project.

Complete set of the Bidding Documents may be downloaded for free from the Los Angeles County Public Works website under Building Projects category, website <http://dpw.lacounty.gov/go/constructioncontracts> or obtained for \$50 from the Cashier/Public Counter, Mezzanine, Department of Public Works, 900 South Fremont Avenue, Alhambra, CA 91803. [Click here to download documents](#)

Contact Name : LOYDI NGUYEN

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